

the United States who is willing to say that this coalition, these partners of ours, are bribed and coerced. Where is he going to find the people to become a part of this multinational cooperation when he makes those kinds of statements?

I think that the gentleman from Massachusetts has ill-thought-out his words, has ill-established a doctrine and stands the chance of ruining America's hopes for world peace.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. EMANUEL) is recognized for 5 minutes.

(Mr. EMANUEL addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

EXCHANGE OF SPECIAL ORDER TIME

Mrs. CAPPS. Mr. Speaker, I would like permission to speak in place of my colleague, the gentleman from Illinois (Mr. EMANUEL).

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

HEALTH CARE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mrs. CAPPS) is recognized for 5 minutes.

Mrs. CAPPS. Mr. Speaker, as we come to the end of another Congress, as the country stands ready to pick a new President for the next 4 years, it is appropriate to ask is America better off today than it was 4 years ago.

In terms of health care, the answer is clearly no. Since 2001, as the economy has weakened, the cost of insurance has risen. These two factors have increased the number of uninsured Americans. There are now over 5 million more Americans without insurance than at the beginning of the Bush administration. That is right, 5.2 million more.

In 2004, insurance premiums went up 11 percent, and at the same time inflation and, more importantly, workers' wages have gone up by less than 3 percent. This unaffordable increase comes on top of an increase of almost 14 percent in 2003, 13 percent in 2002, almost 11 percent in 2001. Each of these increases far outstrips pay raises. So in that time, a family's share of health insurance premiums have gone up \$1,000, a whopping 57 percent.

With such a weak economy and without sufficient increases in wages, these increases are devastating to a working family; but this administration, this congressional leadership have not done a thing to help. In fact, they have made it harder to help people struggling with the high cost of insurance.

Just last week, the administration took over \$1 billion in unused chil-

dren's health insurance funds away from the States.

□ 2045

This money could have easily been redistributed to shore up State programs and to expand coverage. And despite the continuing State budget crises, the administration has refused to grant more fiscal relief.

These actions and the refusal of the administration to put more funding into Medicaid have put unbelievable pressure on States to cut back their insurance programs. In 2004, 19 States cut benefits. Twenty have increased copayments. In 2003, 18 States cut benefits and 17 increased copayments. And as of right now, nine more States plan to take these steps in the coming year. This is all happening because of the administration's refusal to help.

In addition, under the President's watch, prescription drug prices have skyrocketed. The administration did nothing to reduce these prices or to help people pay for them. Last year, the Republican leadership and this President shoved a Medicare bill through the House in the dead of night. That bill, written by the prescription drug and private insurance companies, offered a sham prescription drug benefit.

The President and congressional leadership blocked Medicare from negotiating lower prices for Medicare beneficiaries in the bill, and the President has fought efforts to allow seniors to import cheaper prescription medications, despite bipartisan support. Their answer was the so-called prescription drug discount card, which has proved to be a failure.

Reports done by the House Committee on Government Reform, and I did them in my district, have exposed that the prices with these cards can be higher than Canadian drug prices, and they are much higher than the prices seniors could get if Medicare would negotiate on behalf of America's 40 million seniors.

But this is not even the worst of it. The President's bill has set the stage to privatize Medicare. It shovels an additional \$46 billion to managed care companies in order to push seniors into HMOs. And the President has asked seniors to pay for that by increasing their own premiums by 17 percent. The media reports that the administration is hiding bigger premium increases down the road.

It seems pretty clear to me that America is not better off than it was 4 years ago. Democrats want to lower the cost of health insurance for small businesses through a new tax credit. We want to extend health insurance coverage to 7½ million parents through Medicaid and CHIP, and we want to help older Americans who cannot afford to purchase health insurance so they can buy into Medicare.

Democrats have a New Partnership For America's Future, one that ensures our security and lays the foundation

for a strong and prosperous economy, and that is what we are fighting for.

The SPEAKER pro tempore (Mr. MURPHY). Under a previous order of the House, the gentleman from Indiana (Mr. BURTON) is recognized for 5 minutes.

(Mr. BURTON of Indiana addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

ORDER OF BUSINESS

Mr. SMITH of Michigan. Mr. Speaker, I ask unanimous consent to proceed with my 5 minutes at this time.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

SOCIAL SECURITY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. SMITH) is recognized for 5 minutes.

Mr. SMITH of Michigan. Mr. Speaker, looking forward to 2005, there are few more important issues for government than overspending and overpromising. Unless we get spending under control, government will lose the ability to do much of anything else except manage our indebtedness. Already we pay nearly \$300 billion a year, approaching 12 percent of our total expenditures for interest on the debt. That is \$300 billion a year on interest. And interest rates are going up, our debt is going up, and that cost is rising very rapidly.

This fight will influence the kind of lives that our kids have. Why do we not pay attention to the problems of the insolvency of Social Security and Medicare? Why do we not look at the problems that this kind of overpromising and overspending are going to have on the economy of the United States? The challenge facing Congress will be to restore our reputation for fiscal restraint.

The Federal Government is now running the largest budget deficit in our history, which is estimated to be \$574 billion for the fiscal year that just ended September 30, and we will soon have to increase the \$7.384 trillion statutory debt limit in order to accommodate this borrowing, which our children and our grandchildren are ultimately going to have to assume the responsibility for.

I cannot think of harsher words than maybe unconscionable, maybe too interested in our political futures to do what is necessary to deal with these tough problems. This overexpenditure, the debt, is only a small part of the total problem. Overpromising is the larger issue, and that deals with the chart I have before us tonight, and that is this massive unfunded liability.

The deficit and debt, unfortunately, are only the beginning of our financial

problems. These figures come from Dr. Tom Savings, who is a professor of economics at Texas A&M and also a trustee for both Social Security and Medicare. He has calculated that the total unfunded liabilities for the three programs of Medicare, Medicaid, and Social Security are now \$73.5 trillion.

That means to accommodate our promises we are going to have to come up with \$73 billion, put it in our savings account, and that is going to draw interest, at least to accommodate inflation, to keep the promises. There is no way we can do this. We are headed for a reality of the financial sky is falling on the United States Congress.

The issues of changing the programs have been demagogued so that Republicans can accuse Democrats when they suggest any change, and Democrats can accuse the Republicans of ruining Social Security and Medicare.

In conclusion, let me briefly run down through the unfunded liabilities of the different parts. Medicare part A, which is mostly the hospitals, is a \$21.8 trillion unfunded liability, the amount you would have to put in an account today. Medicare part B, \$23 trillion. That is mostly doctors. Medicare part D, the new prescription drug program, adds to the unfunded liability \$16.6 trillion. Social Security is running at about \$12 trillion.

We have got to deal with these problems. Maybe next year, after the election, whichever President is elected, we will have the guts, we will have the intestinal fortitude to move ahead in trying to solve and make changes to these programs so that we can continue what we have promised the American people. They are important programs. There is going to be dramatic changes. The longer we wait, the more drastic the changes will have to be. That was the conclusion of the bipartisan task force on Social Security that I chaired.

The challenge is great for this body, the Senate, and the White House; and I ask, Mr. Speaker, that the electorate of this Nation ask those candidates running for office, for the Congress, for the Senate, for the Presidency what they are going to do about these huge problems facing our kids and our grandkids.

CONFERENCE REPORT ON H.R. 4850, DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 2005

Mr. FRELINGHUYSEN submitted the following conference report and statement on the bill (H.R. 4850) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against revenues of said District for the fiscal year ending September 30, 2005, and for other purposes:

CONFERENCE REPORT (H. REPT. 108-734)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4850) "making appropriations for the government of the District of Columbia and other

activities chargeable in whole or in part against revenues of said District for the fiscal year ending September 30, 2005, and for other purposes", having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert:

That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the District of Columbia and related agencies for the fiscal year ending September 30, 2005, and for other purposes, namely:

TITLE I—FEDERAL FUNDS

FEDERAL PAYMENT FOR RESIDENT TUITION SUPPORT

For a Federal payment to the District of Columbia, to be deposited into a dedicated account, for a nationwide program to be administered by the Mayor, for District of Columbia resident tuition support, \$25,600,000, to remain available until expended: Provided, That such funds, including any interest accrued thereon, may be used on behalf of eligible District of Columbia residents to pay an amount based upon the difference between in-State and out-of-State tuition at public institutions of higher education, or to pay up to \$2,500 each year at eligible private institutions of higher education: Provided further, That the awarding of such funds may be prioritized on the basis of a resident's academic merit, the income and need of eligible students and such other factors as may be authorized: Provided further, That the District of Columbia government shall maintain a dedicated account for the Resident Tuition Support Program that shall consist of the Federal funds appropriated to the Program in this Act and any subsequent appropriations, any unobligated balances from prior fiscal years, and any interest earned in this or any fiscal year: Provided further, That the account shall be under the control of the District of Columbia Chief Financial Officer, who shall use those funds solely for the purposes of carrying out the Resident Tuition Support Program: Provided further, That the Office of the Chief Financial Officer shall provide a quarterly financial report to the Committees on Appropriations of the House of Representatives and Senate for these funds showing, by object class, the expenditures made and the purpose therefor: Provided further, That not more than \$1,200,000 of the total amount appropriated for this program may be used for administrative expenses.

FEDERAL PAYMENT FOR EMERGENCY PLANNING AND SECURITY COSTS IN THE DISTRICT OF COLUMBIA

For necessary expenses, as determined by the Mayor of the District of Columbia in written consultation with the elected county or city officials of surrounding jurisdictions, \$15,000,000, to remain available until expended, to reimburse the District of Columbia for the costs of providing public safety at events related to the presence of the national capital in the District of Columbia and for the costs of providing support to respond to immediate and specific terrorist threats or attacks in the District of Columbia or surrounding jurisdictions: Provided, That any amount provided under this heading shall be available only after notice of its proposed use has been transmitted by the President to Congress and such amount has been apportioned pursuant to chapter 15 of title 31, United States Code.

FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA COURTS

For salaries and expenses for the District of Columbia Courts, \$190,800,000, to be allocated as follows: for the District of Columbia Court of

Appeals, \$8,952,000, of which not to exceed \$1,500 is for official reception and representation expenses; for the District of Columbia Superior Court, \$84,948,000, of which not to exceed \$1,500 is for official reception and representation expenses; for the District of Columbia Court System, \$40,699,000, of which not to exceed \$1,500 is for official reception and representation expenses; and \$56,201,000, to remain available until September 30, 2006, for capital improvements for District of Columbia courthouse facilities: Provided, That notwithstanding any other provision of law, a single contract or related contracts for development and construction of facilities may be employed which collectively include the full scope of the project: Provided further, That the solicitation and contract shall contain the clause "availability of Funds" found at 48 CFR 52.232-18: Provided further, That funds made available for capital improvements shall be expended consistent with the General Services Administration master plan study and building evaluation report: Provided further, That notwithstanding any other provision of law, all amounts under this heading shall be apportioned quarterly by the Office of Management and Budget and obligated and expended in the same manner as funds appropriated for salaries and expenses of other Federal agencies, with payroll and financial services to be provided on a contractual basis with the General Services Administration (GSA), and such services shall include the preparation of monthly financial reports, copies of which shall be submitted directly by GSA to the President and to the Committees on Appropriations of the House of Representatives and Senate, the Committee on Government Reform of the House of Representatives, and the Committee on Governmental Affairs of the Senate: Provided further, That 30 days after providing written notice to the Committees on Appropriations of the House of Representatives and Senate, the District of Columbia Courts may reallocate not more than \$1,000,000 of the funds provided under this heading among the items and entities funded under this heading for operations, and not more than 4 percent of the funds provided under this heading for facilities.

DEFENDER SERVICES IN DISTRICT OF COLUMBIA COURTS

For payments authorized under section 11-2604 and section 11-2605, D.C. Official Code (relating to representation provided under the District of Columbia Criminal Justice Act), payments for counsel appointed in proceedings in the Family Court of the Superior Court of the District of Columbia under chapter 23 of title 16, D.C. Official Code, or pursuant to contractual agreements to provide guardian ad litem representation, training, technical assistance and such other services as are necessary to improve the quality of guardian ad litem representation, payments for counsel appointed in adoption proceedings under chapter 3 of title 16, D.C. Code, and payments for counsel authorized under section 21-2060, D.C. Official Code (relating to representation provided under the District of Columbia Guardianship, Protective Proceedings, and Durable Power of Attorney Act of 1986), \$38,500,000, to remain available until expended: Provided, That the funds provided in this Act under the heading "Federal Payment to the District of Columbia Courts" (other than the \$56,201,000 provided under such heading for capital improvements for District of Columbia courthouse facilities) may also be used for payments under this heading: Provided further, That in addition to the funds provided under this heading, the Joint Committee on Judicial Administration in the District of Columbia shall use funds provided in this Act under the heading "Federal Payment to the District of Columbia Courts" (other than the \$56,201,000 provided under such heading for capital improvements for District of Columbia courthouse facilities), to make payments described under this heading for